

Coins

Bargain hunters, beware: Tips to quash the con men

By Roger Boye

WHEN AN OAK PARK woman paid just \$145 for a rare 1909-S VDB Lincoln cent in April, she thought she had made the "coin purchase of the year."

But early last month she showed her keepsake to a reputable dealer in Chicago who told her the coin was a fake. A con man had punched an "S" mint mark into a common 1909 no-mint-mark cent.

Although the great majority of coin dealers are honest and will go out of their way to make sure a customer is satisfied, there are a few who are out to make a fast buck. And sometimes even the best dealer is fooled by a well-known forgery.

To assist the would-be coin buyer, here are some timely tips from hobby experts:

- Find a dealer or dealers you can trust. Know the person or dealer with whom you do business or patronize well-established dealers. Can you relate to the dealer? Does the dealer know the difference between counterfeits and genuine coins? Is the dealer a member of professional organizations that promote high business ethics?

- Be knowledgeable about coins so you don't have to rely entirely on

others. Subscribe to coin periodicals and keep track of coin prices in auctions. Learn about the grading of coins. And remember that a collector can't own too many coin books.

- Beware of bargains. Ask yourself, "Why should a stranger give me a break?"

- Don't jump to conclusions when buying a coin. For example, don't assume a coin is genuine simply because it is shiny or looks nice.

- Don't expect profits overnight. Not all coins increase in price at the same rate, and some coins even drop in price. (Usually, the greatest price increases — both in percentage and in dollars — are for coins in uncirculated condition.) Also, collectors who expect to make a profit when selling a coin must overcome the dealer profit margin. Dealers sell most coins for at least 30 per cent more than what they paid for them.

- Remember that coins don't pay quarterly interest or dividends, and the valuable ones should be kept in a safe-deposit box. Also realize that coins and related collectibles may not be the easiest items to turn into cash if you are forced to sell them quickly.

- Don't buy coins thinking they will make you rich. If you do, you may end up disappointed.